

Forum on Transportation Investment  
Breakout Sessions  
January 4, 2005

***What is your view of the current level of Transportation Funding in Idaho?***

Group 1:

Vote – adequate 0, insufficient 1, under-funded 6.

- Crowded freeways in metropolitan areas – intermodal methods needs attention;
- Light rail is critically under-funded;
- Intermodal transportation currently has no dedicated money to buy the corridors;
- Funding is flat -- global economy is changing and effecting import/export transportation demands;
- Idaho currently has a very low tax rate/base – may need to increase to meet needs.

Group 2:

Current level of transportation funding is between insufficient and critically under-funded because of:

- Significant population growth;
- Increased costs (right of way) combined with static revenue stream;
- Expanding projects – environmental concerns;
- Inadequate link between transportation system and land use planning/permitting.

Group 3:

Vote – adequate 1, insufficient 8, under-funded 1.

- Too much population growth;
- Backlog in capacity improvements;
- Rising material costs.
- Rising right of way costs;
- State funding needs to increase similar to growth/inflation;
- Public needs to be convinced that increases in funding are worth it;
- System has changed – we need to re-distribute user/non-user fees to reflect current/future use.

Group 4:

Difficult to answer – Need something more easily understood; credibility issues; would need to plan or document to be able to answer or address – one place/answer. Dollars needed to address times amount – probably a shopping list.

- Highway 95 needs study – The number was so high that it was staggering and not doable;
- Maintenance level sufficient, construction is being under-funded, transit is way under-funded;
- Public transit federal dollars are not all being used because state/local match is insufficient;
- Last 10 years, state funding has been raised by 52% -- many in the public will say that this is adequate (fuel tax, fees);
- Numerous plans – how to tie these together into one coherent plan;
- Advantages of bonding – makes you plan and portray a vision;
- It seems that we are always behind the demand;
- Rural versus urban issues – what is the plan to keep rural areas from ending up facing the same issues as urban areas now face?

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***Given the funding issues (Federal, state, other), what strategies should be explored?***

Group 1:

- Toll roads;
- Fuel tax increases;
- Look beyond a “highway” funded program to a “transportation” program – so that we can expand our view of funding options to other types of transportation;
- Use a vehicle mileage tax (VMT) – transponders in vehicles-tax based on weight and distance traveled (user fee);
- Develop high occupancy lanes (HOT) – transponders in vehicles – pay for right to use;
- City/county tax options – local option taxing;
- Private development funds;
- Up-front bonding for specific districts (local) LIDS;
- Need a “Gap” strategy to bridge current problems while new technology comes in – i.e. transponders, etc.;
- Rural areas also need to be part of the equation for funding;
- Need to have some of the Transportation funding come from the General fund;
- Tax car rentals and/or increase sales tax.

Group 2:

- Flat fee and mileage tax;
- Increased registration fees and fuel tax;
- Dedicate sale tax to transportation projects;
- Elicit public support;
- Increase efficiency with current funding;
- Maximize productivity of the current system;
- Implement demand management strategies;
- Promote public/private partnerships;
- Prioritize funding with density of use;
- Advance construction/bonding;
- Use cost benefit analysis;
- Marry land use planning with transportation planning.

Group 3:

- Regionalize administration services (roads and air travel);
- Expand the state system;
- Develop a dedicated small CAP construction fund;
- Use GARVEE bonding;
- Establish a dedicated public transportation funding;
- Allow local option authority for all modes;
- A C option;
- Impact fees;
- Consolidate highway jurisdictions/reorganization and/or identify efficiencies when possible.

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Group 4:

- Index fuel taxes against something like CPI;
- Shift current taxes (underground tank tax) to transportation funds;
- Shift sales tax (when temporary expires);
- Revisit cost allocation study – who is paying what;
- Increase property tax – tax the increased property value determined from the benefit of transportation projects;
- Look at all of the Resource Task Force items;
- Local option tax;
- Increase fuel taxes and tax alternative fuels/vehicles;
- Bonding;
- Tax miles versus fuel;
- Toll roads;
- Increase vehicle registration fees-tie to vehicle insurance fees;
- Increase licensing.

***Given the potential of alternative fuels to reduce fuel tax revenues, how can we mitigate this impact?***

Group 1:

- Vehicle mileage tax – pay per mile;
- Re-vamp registration fees;
- Increase fees incrementally to generate income;
- Tax by weight of vehicle;
- Close the gap or properly tax diesel fuel;
- Elimination of subsidy for ethanol/bio-diesel;
- Examine exemption to the rental car industry – state and federal;
- Charge more for car rentals on first fill-up.

Group 2:

- Explore taxing other fuel sources at retail point;
- Is the impact worth worrying about – need further information;
- Develop a mileage fee;
- Toll roads.

Group 3:

- Tax ethanol gasoline same as regular gas;
- Charge per mile regardless of fuel type;
- Tax all fuels regardless of type;
- Adjust registration fees to capture lost revenues;
- Toll roads.

Group 4:

- Shift from fuel based tax to tax on mileage, property tax, etc. Tax on mileage preferred;
- Standardize fuel tax – energy used conversion – apply to alternative fuels;

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- Figure out how to capture ‘transient’ travel through the state – mileage based;
- Federal tax is on gallons – does state need to be consistent – interstate commerce regulations;
- Tax on vehicles – how does that conflict with tax credits;
- Rather than raise taxes, look at departments economizing – state highway, highway districts, county, and city – combine/consolidate.

***How much emphasis should be place on future Idaho public transportation investment?***

**Group 1:**

High to medium priority

- Only one of 4 states that does not provide funding;
- Locals need to come up with 70% of the funds;
- Demographics creating increased demand throughout the state;
- Efficiency is increasing
- More important in urban areas such as Boise;
- High capital expenditure – unknown return on investment;
- Need to examine policies that discourage transit such as parking exemption;
- Must meet safety and mobility needs;
- Will need to examine return of investment;
- People are resistant to public transportation;
- Local options might address the needs of an elderly population;
- Need to plan today for public transportation;
- Need to change our mind-set about transit – an expected option.

**Group 2:**

Medium to high for urban/lower priority for rural

- Large cost versus how many people actually use it - does not pay for itself;
- Benefits transit-dependent folks;
- Can work in local instances with public support;
- Focus on larger populated areas with specific needs;
- Should be funded with General Funds rather than Highway Funds.

**Group 3:**

High priority – 6, Medium priority - 4

- Should target major metropolitan areas such as Boise and Coeur d’ Alene;
- Light rail needs to be planned now;
- Protection of right of way is a high priority;
- Plans must be developed now to have a system in place in 25 years;
- Need public support;
- Need true cost of driving (cost per mile) including environmental and other areas.

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Group 4:

No consensus.

- Develop a mechanism to let people vote for taxing for public transportation or local option taxes – could work in rural and urban areas;
- Should place higher emphasis on public transportation to deal with current issues;
- Need to be planning-driven not reactionary;
- Need to recognize that public transit issues in urban areas are actually statewide issues – if it saves money then dollars could be spent in other parts of the state;
- Recognize Sun Valley /Ketchum model and the use of local option tax;
- Aging population – keep elderly able to travel and be independent;
- Air quality issues;
- Need money to match available federal dollars.